Long-Term Care RFI/RFP Forums
Questions & Answers

Process Questions

Q1: Please describe the various phases of this RFI/RFP process and initiative.

A: In general, this RFI/RFP is a part of a planning process to enable the State to implement long term care reform statewide as promptly as feasible. The information received in this process will help determine how and when we proceed with implementation with reforms.

The RFI/RFP has two parts, both of which are designed to contribute to State level planning for long term care reform. First, the Request for Information invites public, private, for-profit and not-for-profit organizations to provide information regarding their interest, willingness, capacity and ideas for implementing long term care reform (attachment B to the RFI). Second, the Request for Proposals invites any applicant to request a grant for planning to implement long term care reform in your area (Attachment C to the RFI/RFP). Responses for both the RFI and RFP are due December 31. The next question addresses the timetable for evaluating the RFI/RFP.

The results of these planning efforts will inform implementation and budget planning for calendar years 2006-2009 and perhaps beyond. The Department is interested in assessing the extent to which we can move forward with implementation in calendar years 2006 and 2007 on a fiscally neutral basis. The Department will also use this information in developing options for the Governor and Legislature to consider for the next biennial budget, 2007-2009. The Department's biennial budget request will be due to the Governor in late 2006.

Q2: How will the RFI/RFP be evaluated by DHFS and what is your time line for making awards?

A: RFI/RFP responses are due to the Department by December 31, 2005.

The RFI portion (attachment B) will not be formally "graded." Organizations and partnerships are invited to submit any information that will be helpful to inform the State of their interest in working on long term care implementation. This will assist the State in making decisions on an implementation plan in various geographic regions of the State. DHFS will obtain additional advice from the Council on Long Term Care Reform and other parties in preparing recommendations to the Governor.

Requests for planning grants, i.e. the responses to the RFP attachment C, will be evaluated by a panel of civil servants and knowledgeable persons from outside state government during January 2006. The evaluation panel will apply specific evaluation criteria linked to the required outline for submissions (described in more detail on the Department's web site). We anticipate making awards in early February, ranging from

$25,000 to $250,000. As noted in the RFI/RFP, we prefer multi-county regional proposals and public-private partnerships. We are interested in applicants that wish to seriously ready their organizations for timely implementation.

Q3: Is this the only opportunity to participate in implementation of expansion of managed long term care in Wisconsin?

A: No. As noted, this is a planning process. Contracts between the Department and care management organizations to implement Family Care, Partnership or other models of service delivery will follow established State procedures, which will likely involve a subsequent RFP process. Also, depending on the number of good planning grant requests that are received in this round, a second round of planning grants is also possible.

Q4: Will responses to either the RFI or the RFP remain confidential?

We have released the RFI in order to gather ideas and input from a broad range of individuals and groups interested in long-term care reform. We intend to utilize good ideas that move us toward achieving our goals for a statewide system that is high quality and cost-effective.

In general, the content of responses to the RFI portion of this process will be made public. The Department intends to use information for planning about regional implementation of reformed long term care delivery systems and to the extent information can be made publicly available for the planning process this will be done.

However, the Department may not disclose information that the submitter clearly marks as confidential or proprietary if the public records law at § 19.31, et. seq. would permit it to remain confidential. In addition, if the Department determines that disclosure of certain information would be detrimental to an eventual competitive procurement or granting process, thereby harming the public good that would derive from that process, then the Department may also maintain the confidentiality of that information. Such information could include potential service areas or negotiable contract terms of care management organizations, for example.

The Department will maintain confidentiality of RFP responses prior to the determination of awards for planning grants. After an announcement of the Department's intent to award a planning grant is made, RFP responses will be public except for information that a proposer has designated as confidential or proprietary. In that event, the information may remain confidential as noted above.

Q5: Please clarify the timeline for us. Is it necessary to implement a program by the end of the planning grant period?

A: The Department does not intend the wording of the RFP to lock any potential responder into a commitment to deploy a new program during the current biennium, even if that responder receives a planning grant. During the development/planning phase, the expectation the Department will have on grantees is just that-- planning for development. We anticipate that the staging of any subsequent implementation will occur after a significant amount of conversation between the Department and any entity that is implementing.

Entitlement

Q:6 When will full entitlement become a reality for organizations that move from planning to implementation under this initiative and how will full entitlement be funded?

A: The RFI/RFP does not specify when/if full entitlement will be provided. In the current biennium (2005-2007), the State is interested in serving more people if we can do so on a fiscally neutral basis, i.e. by savings generated through implementing a more cost-effective system. This will not allow full entitlement in this biennium. The Governor and Legislature will make any decisions about expanding entitlement in the next biennial budget (2007-2009).

As background, the current Family Care agencies had two years to come to full entitlement under the conditions of the federal waiver that enabled the program. Expanding the number of people served without full entitlement would be possible under the current waiver during such a transition period.

Target Groups

Q7: It appears that the RFI/RFP excludes several target groups, namely mental health consumers and children with disabilities. Is this assumption correct? Explain.

A: Yes, this particular RFI/RFP focuses on adults needing long term support, specifically the frail elderly, adults with physical disabilities and adults with developmental disabilities. It does not focus on planning for services to persons with mental health needs who do not also need long term care due to physical or developmental disabilities. It does not include children.

However, some of the adults served by the long term care system will need mental health and/or substance abuse services as well as long term care. Our data shows us that at least 30 percent of participants in Family Care and Partnership have co-occurring mental health or substance abuse needs. Any care management organization with which the Department contracts for long term care services must be capable of addressing or coordinating for care to address these needs.

Separately, the Department and its partners are already engaging in productive work on reforming the mental health system, emphasizing a recovery orientation and children's services. We have the same commitment to these reform efforts as we do to long term care reform. As these processes unfold, we may reconsider whether it is advantageous to combine them at a future point.

County Role

Q8: Will this opportunity require a county match?

A: The RFI/RFP states that in 2005-2007, any expansion of long term care services would be fiscally neutral for both counties and the state. This means that any expansion of long term care slots would come from within existing budgets; and no added county match would be mandated as part of the expansion.

The Governor and Legislature will ultimately make decisions about how to finance the long term care system in 2007-09 and beyond. This includes decisions on whether or not the county share will be phased-out, frozen, or continue. There are various options by which a redesigned system might retain, or not retain, a county match.

Counties and private organizations that choose to respond to the Request for Information are free to comment on any fiscal assumptions that are relevant to their responses. As noted, the State is seeking information for planning purposes and not commitments on contractual terms at this point.

Organizations responding specifically to the RFP, i.e. those organizations requesting State grants of planning funds, are asked to describe what resources they will contribute to the planning process including in-kind resources. There is no mandated match level, but organizations would likely need to commit some staff resources to the planning at their organization's expense.

Q9: Why wouldn't a county seize the opportunity presented by this reform initiative to "opt out" as a provider of long term care services?

A: Counties are not required to submit responses to this RFI/RFP at all. Counties may choose to submit responses because they desire to serve their citizens better. They may also be interested in responding because past State reforms implementing Family Care and Partnership programs expanded service to citizens without any required increases of county funds. Family Care Counties have been given rates that are "actuarially-sound" to cover costs of services, with rates increasing over time as costs have increased. This is different from the current county-operated long term care programs where state reimbursement rates have been fixed and county taxes have increasingly supplemented the program budgets.

Q10: Similar to when Family Care was initiated, will counties have "right of first refusal" to be the care management organization in a reformed system?

A: No. This RFI/RFP seeks responses from any interested private or public organization or partnership with the capacity to cost-effectively serve the State's goals to implement managed long term care. Based on experience and knowledge of entities around the State and elsewhere, we believe that the role of a care management organization could be carried out well by private organizations, counties, multi-county consortia, or public-private partnerships.

Even where private organizations will provide the function of care management, we envision it's likely there will be some county role in the system in that area. Under federal law, eligibility for Medicaid must be determined by a public entity. Under Wisconsin law, this role has been given to counties. Beyond eligibility determination, counties may also wish to be involved in a broader function through Aging and Disability Resource Centers (ADRCs). ADRCs have provided broad information and assistance to citizens about long term care, prevention services, and decision-making support and enrollment in public programs. (About two-thirds of people who contact ADRCs for information do not enroll in publicly-funded programs. They simply need information to assist them in making decisions about their current situation.) We have set a goal of providing a statewide network of ADRCs to serve citizens around the State, and we actively encourage counties and multi-county consortia to consider this function.

Q11: If long term care eventually involves private managed care partners, who will meet the statutory responsibility for adult protective services under Chapters 51 and 55 that currently rests with counties in Wisconsin Statutes?

A: Adult protective services responsibilities of counties are established by State law. The Department is not assuming there will be any change in law. At present, where the Partnership Program and Family Care are in place, they co-exist with Chs. 51 and 55. It is, of course, the prerogative of the Governor and Legislature to establish the statutory responsibilities and Chapter 51 and 55 may be subject to review.

Q12: What role will county long term care councils and county boards have in any managed care delivery system?

A: This RFI/RFP is a planning process step. Each county's representatives will need to determine what best fits the expectations of county elected officials for their involvement at this step. We have asked that respondents to the RFP, applying for planning grant funding, must address our interest in continuing and expanding the role of consumers as key stakeholders in our long term care delivery systems. We would anticipate that typically, counties would require county board approval of receipt of any grant or agreement to any contract.

Other Long-Term Care Services

Q13: What will be the future of Medicaid-funded fee-for-service nursing homes in a managed care environment?

A: Our intention is to move toward capitated, managed care service delivery systems in the future, which would include funding for nursing homes within a broader long term care benefit. We assume some individuals will need nursing home care and they will be able to access it through this model. However, in the more comprehensive benefit for long term care, there will be expanded choice for individuals as to where and how to receive care than there is currently. As noted in the RFI/RFP, we assume that this reform will happen over a multi-year period; in the interim, the current system of fee for service reimbursement for nursing homes will continue.

Q14: How does this RFI/RFP process mesh with the ICF/MR restructuring initiative and nursing home downsizing that DHFS has already underway?

A: These efforts are part of our philosophy to allow current Medicaid funding that has been historically earmarked for institutional care to "follow the person" to community-based care. The ICF/MR Restructuring Initiative was enacted in 2003 and began operating in 2005. The Nursing Home Relocation Initiative began in 2005. We anticipate that these initiatives, which allow for the community relocation of any person who requests community placement, supported by our home and community-based services waivers (CIP 1A, CIP 1B, CIP II and COP-W), will be absorbed into new models of managed care service delivery, as has occurred in Family Care counties. Our intention is to move, over time, to a system where institutional care costs and community care costs are managed by a comprehensive managed care system.

Care Management Providers and Models

Q15: Will the Department consider multiple proposals involving a particular partner?

A: Yes.

Q16: Can more than one care management organization operate in one county?

A: Yes, depending on the ability of each organization to function soundly and cost-effectively. This may be possible in some areas of the State and not others. We need viable organizations that can meet our criteria for individual care-planning and choice, benefit plans, care management capacity, provider network and financial soundness given their size and risk pool. If there is more than one viable organization that exhibits these characteristics, along with experience in delivering the kind of managed care we are seeking, the choice for consumers can be advantageous.

Q17: Is it correct that DHFS will consider awarding some of the planning grant money to a health insurance company?

A: Yes. We have invited counties, private organizations, public-private partnerships, and consortia to respond. Entities/partnerships that submit viable proposals addressing all of the areas we detailed in Attachment C may be funded.

Q18: To the extent that this initiative results in better coordination between acute, primary and long-term care or integration of all health and long term care, Medicare savings may occur. Will federal Medicare savings benefit the State in any way?

A: Yes. Savings for Medicare cannot be accomplished without systems that advance the overall wellness and independence of our citizens. Healthier people who enjoy greater choices have delayed entry into the long term care system and do not prematurely utilize expensive, high-intensity services. That having been said, ideally we will negotiate positive partnerships with the federal government to create fair-sharing of savings between Medicare and Medicaid.

Q19: State statute refers to "Family Care Districts." Please explain these in relation to this initiative.

A: State statute already allows for multi-county collaborations to establish care management organizations, called Family Care Districts. In this RFI/RFP, we have expressed a preference for multi-county regional service areas around the State. Multi-county collaborations formed as Family Care districts are one of the ways to do this.

Q20: After planning occurs and another RFP process results in contracts with new providers, what is the Department's fall back position should a CMO fail?

A: Each CMO is required to establish a risk reserve. This reserve exists to allow for funding to be available to weather the natural fluctuations in expenses from year to year and to provide "solvency protection" to serve the CMOs consumers during transition to a new provider should the CMO terminate its business. The CMO owns the risk reserve, but the reserve is governed by specific provisions in the contract between the Department and the CMO. If a CMO will not continue in the business for any reason, the State will contract with an alternate organization while helping establish a smooth transition for consumers.

Q21: By releasing this RFI/RFP, is the Department saying that Family Care is its model of choice?

A: Family Care is one excellent model. So is Partnership, another managed care model. These types of managed care models seem to offer clear advantages over the fee-for-service delivery model that exists in most counties in Wisconsin. We have invited respondents to the RFI/RFP to express their interest in implementing this type of managed care model, *or* to express their ideas for other models that will achieve the State's goals of improving effectiveness and efficiency of long term care.

Q22: Does your vision for this reform effort include consumer directed services or expand the role of consumers in the long-term care system?

A: We have examples, locally, of successful consumer-directed service (CDS) delivery models. This is a type of care management model that is of particular interest within the developmental and physical disabilities service systems, but is applicable to all target groups that we serve in the long-term support arena. The current contract between the State and Family Care care management organizations specifies that consumer-directed services and supports are part of the Family Care model. As reform efforts expand through the state we will work with care management organizations to build on existing CDS arrangements and develop new ones.

Consumers will play a very important role in the success of our reform efforts. Our statewide Council on Long-Term Care Reform and its committees, specifically the Systems Change Committee and the Stakeholder Committee, provide us with a sounding board regarding our efforts from the consumer perspective. We are also working with the University of Wisconsin - Extension to develop special projects with entities who receive planning grants, to increase the role and voice of consumers as key stakeholders in the long-term care system.